STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Land Division Honolulu, Hawaii 96813

April 27, 2007

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

PSF No.:06MD-175

Maui

Termination of LOD No. S-27016 Issued to Caine Enterprise (Hawaii) Corporation and Grant of Term, Non-Exclusive Easement to Paradise Ridge Limited Partnership for Access and Utility Purposes, Kamaole, Wailuku, Maui, Tax Map Key: (2) 3-9-004:061 por.

APPLICANT:

Paradise Ridge Limited Partnership, Tenants in Severalty, a Limited Partnership, whose business and mailing address is 7 Creekstone Place, Port Moody, Vancouver, British Columbia, V3H 4L7.

LEGAL REFERENCE:

Section

171-13, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands situate at Kamaole, Wailuku, Maui, identified by Tax Map Key: (2) 3-9-004:061 por., as shown on the attached map labeled Exhibit A.

AREA:

41 sq. ft., more or less, C.S.F. No. 18449, Exhibit B.

ZONING:

State Land Use District: Urban County of Maui CZO: PK-4 (M)

TRUST LAND STATUS:

Section 5(b) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES $__$ NO $_{\rm X}$

CURRENT USE STATUS:

Encumbered by LOD No. S-27016, Caine Enterprises (Hawaii) Corporation, Lessee, for Access and Utility purposes.

CHARACTER OF USE:

Right, privilege and authority to construct, use, maintain and repair a right-of-way over, under and across State-owned land for access and utility purposes.

COMMENCEMENT DATE:

To be determined by the Chairperson.

CONSIDERATION:

One-time payment to be determined by independent or staff appraisal establishing fair market rent, subject to review and approval by the Chairperson.

EASEMENT TERM:

Fifty-five (55) years.

RENTAL REOPENINGS:

Not applicable.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Division of Land Management's Environmental Impact Statement Exemption List", approved by the Environmental Council and dated April 28, 1986, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1, that states "no expansion or change of use beyond that previously existing."

DCCA VERIFICATION:

Place of business registration confirmed:	YES	X	NO
Registered business name confirmed:	YES	_X	NO
Applicant in good standing confirmed:	YES	X	NO

APPLICANT REQUIREMENTS:

Applicant shall be required to pay for an appraisal to determine one-time payment;

REMARKS:

This request for easement is for access and utility purposes. The easement shall serve parcel 132, which is currently owned by Paradise Ridge Limited Partnership. Parcel 132 is land locked and the easement is necessary to maintain legal access.

In February of 1995, parcel 132 was sold by Caine Enterprises (Hawaii) Corporation to Valley Isle Enterprises Ltd. Valley Isle Enterprises Ltd. then sold the property to Paradise Ridge Limited Partnership in November, 2003.

Pursuant to provision No. 8 of LOD S-27016, "easement rights shall cease and terminate, and the easement area shall revert to the GRANTOR, without any action on the part of the GRANTOR, in the event of nonuse or abandonment by the GRANTEE of the easement area, or any portion thereof, for a period of one year. Caine Enterprises (Hawaii) Corporation has not occupied the subject area since 1995.

The DLNR Land Division and the applicant's agent, Mr. Paul Horikawa Esq., have made several attempts to contact representatives of Caine Enterprises (Hawaii) Corporation to acquire the easement via consent to assign. Because of their unresponsiveness and the urgent need for Paradise Ridge Limited Partnership to formalize an access easement over public lands, the applicant has agreed to acquire the easement through a new disposition.

Paradise Ridge Limited Partnership has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

Due to the negligible affect of this action, no agencies were solicited for comments.

RECOMMENDATION: That the Board:

- 1. Authorize the termination of LOD No. S-27016 and all rights of the Grantee and obligations of the Grantor, effective April 27, 2007, in the manner specified by law;
- 2. Authorize the subject request to be applicable in the event of a change in the ownership of the parcel described as Tax Map Key: (2)3-9-004:132, provided the succeeding owner has not had a lease, permit, easement or other disposition of State lands terminated within the last five (5) years due to non-compliance with such terms and conditions.
- 4. Subject to the Applicant fulfilling all of the Applicant requirements listed above, authorize the issuance of a term, non-exclusive, easement to Paradise Ridge Limited Partnership covering the subject area for access and utility purposes under the terms and conditions cited above, which are by this

reference incorporated herein and further subject to the following:

- A. The standard terms and conditions of the most current term easement document form, as may be amended from time to time;
- B. The easement shall run with the land and shall inure to the benefit of the real property described as Tax Map Key: (2)3-9-004:132, provided that when the easement is sold, assigned, conveyed, or otherwise transferred, the Grantee shall notify the Grantee's successors or assigns of the insurance requirement in writing, separate and apart from this easement document;
- C. Review and approval by the Department of the Attorney General; and
- D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,

Daniel Ornellas

District Land Agent

APPROVEA FOR SUBMITTAL:

Peter

Young Chairperson

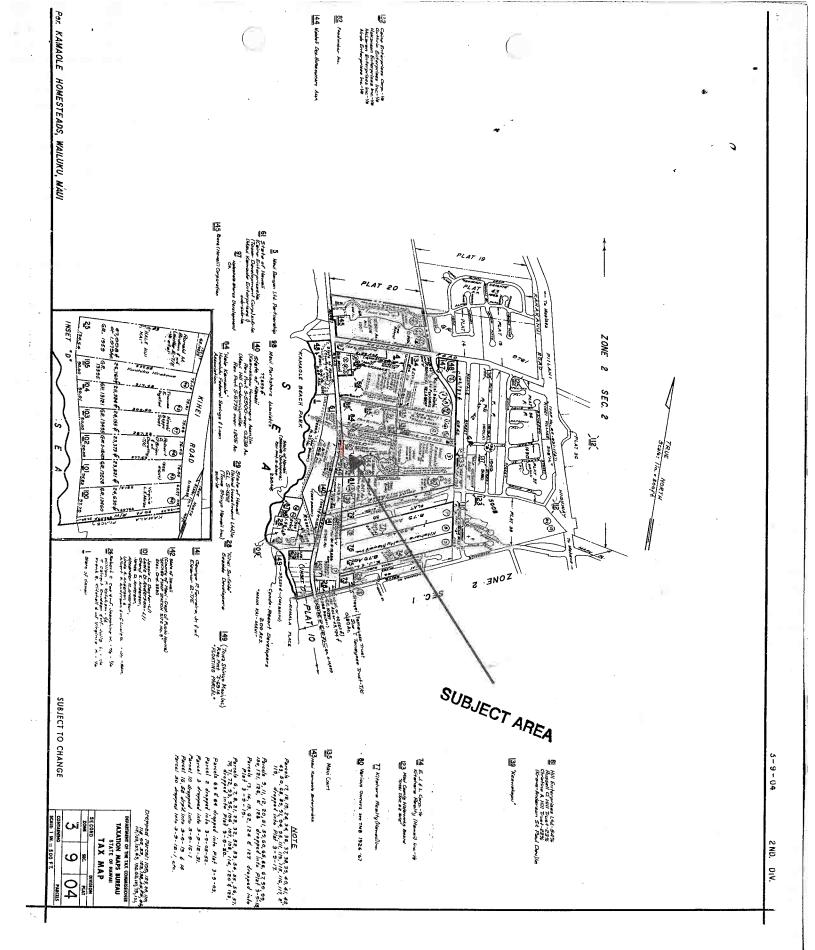
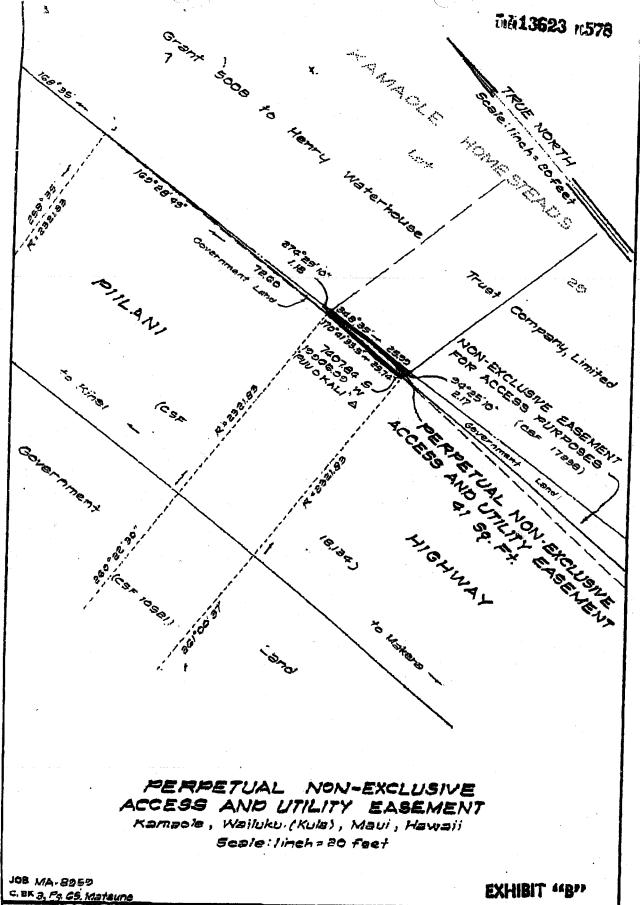


EXHIBIT A



TAX MAP 9-9-64:61

SURVEY DIVISION department of accounting and general services STATE OF HAWAII

C. S. F. No. 18449

JMM Oct. 18,1978